



**Senate Bill No. 905**

**Public Act No. 09-43**

**AN ACT CONCERNING TECHNICAL CHANGES TO THE  
CALCULATION OF COST OF LIVING ALLOWANCES FOR  
MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (l) of section 10-183g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(l) (1) Beginning the first day of January or July which follows nine months in retirement, a retired member who retired on or after September 1, 1992, or a member's successor beneficiary, except a person receiving survivor's benefits, shall be eligible for an annual cost of living allowance. The cost of living allowance shall be calculated by using the percentage cost of living adjustment granted by the Social Security Administration for the applicable year, computed on the basis of the retirement benefits to which such retired member or successor beneficiary was entitled on the last day of the preceding December or June except benefits based upon one per cent or voluntary contributions, provided no cost of living allowance shall exceed six per cent and provided further, if the total return earned by the trustees on the market value of the pension assets for the preceding fiscal year is less than eight and one-half per cent, any cost of living allowance

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granted shall not exceed one and one-half per cent.

(2) A member entering the retirement system commencing on or after July 1, 2007, or such member's successor beneficiary, except a person receiving survivor's benefits, shall, beginning the first day of January or July that follows nine months in retirement, be eligible for an annual cost of living allowance as follows: The cost of living allowance shall be calculated by using the percentage cost of living adjustment granted by the Social Security Administration for the applicable year, computed on the basis of the retirement benefits to which such retired member or successor beneficiary was entitled on the last day of the preceding December or June, as applicable, except benefits based upon one per cent [of] or voluntary contributions, provided (A) no cost of living allowance shall exceed five per cent, and (B) if the total return earned by the trustees on the market value of the pension assets for the preceding fiscal year is less than eight and one-half per cent, any cost of living allowance granted shall not exceed one per cent, if such total return for the preceding fiscal year is greater than eight and one-half per cent but less than eleven and one-half per cent, any cost of living allowance granted shall not exceed three per cent, and if such return exceeds eleven and one-half per cent, any cost of living allowance granted shall not exceed five per cent.

Approved May 20, 2009